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INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C.

6-122A023
MAY 2 1986

Date
Fee \$ 50.00

Dear Mr. Bayne:

ICC Washington, D. C.

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11303 are four copies each of the following documents:

- NEW NO. 1. Railroad Equipment Lease dated as of September 1, 1982.
- A 2. Amendment and Supplement to Railroad Equipment Lease dated as of June 3, 1983.
- B 3. Second Amendment and Supplement to Railroad Equipment Lease dated as of March 15, 1984.
- C 4. Amendment and Supplement to Second Amendment and Supplement to Railroad Equipment Lease dated December 15, 1984.
- D 5. Third Amendment and Supplement to Railroad Equipment Lease dated as of August 20, 1985

The document listed in paragraph 1. above is a primary document; and the documents listed in paragraphs 2. through 5 above are secondary documents thereto.

A description of the railroad equipment covered by the enclosed documents is set forth therein.

Copy to C.T. Kappler

Mr. James H. Bayne
Secretary
Interstate Commerce Commission
May 2, 1986
Page Two

The names and addresses of the parties to the enclosed documents are:

Lessor: Greenbrier Leasing Corporation
One Centerpointe Drive
Lake Oswego, Oregon 97034

Lessee: Southern Pacific Transportation Company
One Market Plaza
San Francisco, California 94105

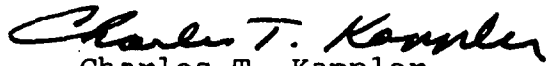
Also enclosed is a check in the amount of \$50 covering the required recordation fees.

Kindly return three stamped copies of each of the enclosed documents to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006

A short summary of the enclosed primary and secondary documents to appear in the Commission's Index is:

Railroad Equipment Lease dated as of September 1, 1982 between Greenbrier Leasing Corporation, Lessor, and Southern Pacific Transportation Company, Lessee, as amended and supplemented.

Very truly yours,


Charles T. Kappler

Enclosures

INTERSTATE COMMERCE COMMISSION

SECOND AMENDMENT AND SUPPLEMENT TO RAILROAD EQUIPMENT LEASE

THIS IS A SECOND AMENDMENT AND SUPPLEMENT TO THAT CERTAIN RAILROAD EQUIPMENT LEASE (the "Lease") dated the first day of September, 1982, by and between GREENBRIER LEASING CORPORATION, a Delaware corporation, hereinafter referred to as "Lessor" and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, herein referred to as "SP" or the "Lessee."

RECITALS:

The parties entered into a Car Purchase Agreement and Repair Agreement ("Agreement") dated September 1, 1982, whereby SP caused certain railroad equipment to be sold to Lessor and thereafter performed certain rehabilitation and modification to said equipment on behalf of Lessor for the purpose of converting same for use in intermodal service.

Following completion of the rehabilitation and modification, said equipment was and remains being leased to SP from Lessor subject to the Lease between the parties.

Subsequently, by Amendment and Supplement to Railroad Equipment Lease dated June 3, 1983, the parties provided for the lease of additional railcar equipment under the Lease.

The parties now desire to amend and supplement said Lease to again provide for the lease of additional railcar equipment thereunder; concurrently with execution of this amendment and supplement the parties have entered into an amendment and supplement to the Agreement ("Second Supplemental Agreement") covering railcar equipment to which this amendment and supplement is to apply.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed as follows:

1. DESCRIPTION OF ADDITIONAL LEASED PROPERTY.

Lessor agrees to lease to Lessee, and Lessee agrees to and does hereby lease from Lessor, subject to the terms and conditions contained herein and in said Second Supplemental Agreement, additional railcar equipment acquired by Lessor pursuant to the Second Supplemental Agreement, consisting of up to five hundred eighty-three (583) intermodal railcars (individually the "Car" and collectively the "Cars") of the type, construction and such other description as is set forth in the Second Supplemental Agreement, all on the same terms and conditions as are contained in the Lease, except as those terms and conditions are expressly modified herein or must be modified to conform to the terms and conditions hereof. The Cars are more particularly described as follows:

Group 1

Seventy-eight (78) 89' flatcars equipped with end-of-car cushioning to be purchased from SP ("Group 1 Cars") and equipped with both adjustable container pedestals and hitches suitable for carrying two (2) 45' trailers.

Group 2

Seventy-one (71) 89' flatcars equipped with end-of-car cushioning to be purchased from SP ("Group 2 Cars") and equipped with fixed container pedestals.

Group 3

Forty-eight (48) 85' flatcars, to be purchased from SP ("Group 3 Cars"), and to be equipped with fixed container pedestals, and semi-permanently attached in three-car units, without end-of-car cushioning.

Group 4

One hundred two (102) 89' flatcars, to be purchased from SP ("Group 4 Cars"), and to be equipped with fixed container pedestals, and semi-permanently attached in three-car units, without end-of-car cushioning.

Group 5

Fifty-nine (59) ACF 89' lo-dek flatcars equipped with end-of-car cushioning from Lesco's existing inventory, to be equipped with fixed container pedestals ("Group 5 Cars").

Group 6

Seventy-five (75) 85' and 89' flatcars to be supplied by Lessor and equipped with fixed container pedestals for intermodal container service, with end-of-car cushioning ("Group 6 Cars").

Group 7

One hundred and fifty (150) 85' flatcars to be acquired by Lessor from the Rock Island Railroad and rebuilt under Rule 88 with fixed container pedestals and end-of-car cushioning, with a new Umler birthdate and valuation ("Group 7 Cars").

2. RENT AND PAYMENT DATES.

The Lessee agrees to pay as monthly rent for each Car during the Primary Term the amount of _____ plus an amount to cover Estimated Maintenance Expense, as defined in the Lease ("Fixed Rent").

The Fixed Rent is based upon the anticipated costs for performing the rehabilitation and modification work on the Cars plus the acquisition costs (together, the "Total Cost").

When the Total Cost of performing rehabilitation and modification is established, pursuant to the Second Supplemental Agreement, an adjustment will be made in past monthly payments (without interest) and Fixed Rent shall be established by applying the monthly factor of _____ percent to the variance from Total

Cost and adding or subtracting the results from \$488.76, as appropriate.

3. At any time within two years from the date of execution of this Second Supplemental Agreement, and upon written demand of Lessee (the "Demand"), Lessor shall convert up to 75 of any of the Cars it may select for service as Pipe Flatcars (the "Pipe Flats"); provided, however, that Lessor shall at any time and in its sole discretion have the option of providing all or a portion of said Pipe Flats from any source other than Railroad, in which case all Cars not necessary for conversion to Pipe Flats shall remain subject to the Lease.

a) In the event that Lessor elects to supply Cars for conversion to Pipe Flats, Lessor shall so notify Lessee within two (2) business days of its (Lessor's) receipt of the Demand. Such notification shall also include the specific Cars selected by Lessor for conversion, each identified by number; provided, however, that Lessor's selections shall not unreasonably burden Lessee in assembling the selected Cars for transport to a conversion facility. Lessee shall proceed forthwith to convert the Cars. Transportation expenses on Lessee's rail lines shall be borne by Lessee; the cost of conversion to Pipe Flats shall be borne by Lessor.

b) In the event that Lessor elects to supply railcars other than Cars (the "Other Cars") for conversion to

Pipe Flats, such Other Cars may be converted at one of Lessee's repair facilities or, at Lessor's option, at any railcar repair facility reasonably acceptable to Lessee.

- i) If the Other Cars are to be converted at one of Lessee's repair facilities, Lessor must, within 15 days of its receipt of the Demand, deliver such Other Cars to any interchange point of Lessee. Lessee shall proceed forthwith to convert the Other Cars. Transportation expenses on Lessee's rail lines shall be borne by Lessee; the cost of conversion to Pipe Flats shall be borne by Lessor.
- ii) If the Other Cars are not converted to Pipe Flats at one of Lessee's repair facilities, Lessor shall deliver Pipe Flats reasonably satisfactory to Lessee at one of Lessee's interchange points within 30 days of Lessor's receipt of the Demand.

4. The lease term of any Pipe Flats shall be two (2) years from the date the Pipe Flats are put in service by the Lessee, provided, however, that Lessee may sooner terminate all or any of the Pipe Flats upon thirty (30) days' notice to Lessor; and provided further, that upon termination of the Pipe Flats as herein provided, and if such Pipe Flats are converted Cars, Lessor may, at

its option, a) terminate the Lease with regard only to such Pipe Flats, or b) reconvert such Pipe Flats to Cars and continue the lease of such Cars to Lessee pursuant to the Lease. The option granted to Lessee hereinabove may be exercised by Lessee only once during the two years of its existence and if Lessee fails for any reason to exercise within the period allowed, the option shall otherwise expire.

For so long as any Pipe Flat shall remain leased to Lessee hereunder, Lessee agrees to pay monthly rental for each such Pipe Flat in the amount of _____ which includes maintenance ("Pipe Flat Fixed Rent"). Pipe Flat Fixed Rent shall commence as to any Pipe Flat on the date of acceptance by Lessee. To the extent any Cars are converted to Pipe Flats, Fixed Rent for such Cars shall continue up to the date such Cars are converted and delivered to Lessee as Pipe Flats.

5. Except as herein expressly and otherwise provided, all of the terms and conditions of said Lease shall be and remain in full force and effect.

IN WITNESS WHEREOF, the Lessor and Lessee have caused this instrument to be executed as of this 15th day of March, 1924.

GREENBRIER LEASING CORPORATION
("Lessor")

By W. H. A. [Signature]
(Title)
Pres.

SOUTHERN PACIFIC TRANSPORTATION
COMPANY ("Lessee")

By [Signature]
(Title) VICE PRESIDENT
ATTEST A. F. [Signature]
ASSISTANT SECRETARY